

Agenda Date: 5/15/02 Agenda Item: 3A

STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102

IN THE MATTER OF THE PETITION OF) <u>CABLE TELEVISION</u>
CABLEVISION OF OAKLAND, LLC. FOR	
RENEWAL OF A CERTIFICATE OF APPROVAL	RENEWAL
TO CONTINUE TO OPERATE AND MAINTAIN) CERTIFICATE OF APPROVAL
A CABLE TELEVISION SYSTEM IN THE	
VILLAGE OF RIDGEWOOD, COUNTY OF	
BERGEN, STATE OF NEW JERSEY	DOCKET NO. CE02040217

Cuccio and Cuccio, Ridgewood, New Jersey, by Emil S. Cuccio, Esq., for the Petitioner.

Village Clerk, Village of Ridgewood, New Jersey, by Heather Mailander, for the Village.

BY THE BOARD¹:

On January 27, 1977, the Board granted Micro-Cable Communications Corp. d/b/a UA-Columbia Cablevision of New Jersey ("UA-Columbia") a Certificate of Approval, in Docket No. 767C-6192, for the construction, operation and maintenance of a cable television system for the Village of Ridgewood ("Village"). On February 19, 1988, the Board granted UA-Columbia a Renewal Certificate of Approval for the Village in Docket No. CE87050372. Subsequently, UA-Columbia underwent internal restructuring and was doing business as United Artists Cable of New Jersey ("United Artists"). In Docket No. CO92080822, United Artists informed the Board that it would do business as TCI of Northern New Jersey ("TCINNJ"). On November 16, 1992, the Board approved the petition and recognized the name change. TCINNJ underwent further restructuring and informed the Board that it would no longer use the name Micro-Cable Communications Corp. and would now use the corporate name of TCI of Northern New Jersey, Inc. ("TCINNJ, Inc.").

On December 17, 1997, the Board approved the transfer of the Certificate of Approval for the Village from TCINNJ, Inc. to Cablevision of Oakland, Inc. ("Cablevision"), in Docket No. CF97090674. On January 25, 2002, Cablevision informed the Board that, as part of an internal reorganization approved by the Board on January 3, 2002, in Docket No. CO00030182, it would now be known as Cablevision of Oakland, LLC ("Petitioner"). Although the Petitioner's Certificate expired on January 27, 1997, it is authorized to continue to provide cable service to the Village pursuant to N.J.S.A. 48:5A-25.

¹ Commissioner Carol J. Murphy did not participate in the deliberations or vote on this matter.

The Petitioner's predecessor filed an application for the renewal of its municipal consent with the Village on April 26, 1996, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. On July 8, 1996, the Petitioner's predecessor filed a Motion of Confidentiality for certain information contained within the municipal application, in Docket No. CO96070518. The Petitioner's predecessor withdrew this matter by letter dated February 5, 1998.

The Village, after public hearing, passed a resolution on September 5, 1996, indicating its intention to adopt an ordinance granting renewal municipal consent to the Petitioner's predecessor and setting forth its underlying reasons. On September 9, 1997, the Village adopted a municipal ordinance granting renewal consent to the Petitioner's predecessor. On September 25, 1997, the Petitioner's predecessor informed the Village that it would not accept the ordinance as written.

On October 23, 1997, pursuant to N.J.S.A. 48:5A-17(d), the Petitioner's predecessor filed with the Board for a renewal of its Certificate of Approval for the Village, in Docket No. CE97100780. The Petitioner's predecessor alleged that the Village's actions in granting a renewal containing terms and conditions that it had not agreed to were arbitrary and capricious. The Village filed an answer to the petition on November 18, 1997.

On August 10, 1998, the Board transmitted the case to the Office of Administrative Law ("OAL") for hearings as a contested case pursuant to N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14F-1 to -13. Administrative Law Judge ("ALJ") Richard McGill was assigned to the case. The case was assigned OAL Docket No. CTV 07625-98N. On November 25, 1998, ALJ McGill issued a prehearing order setting the plenary hearings for June 30, 1999 and July 1, 1999. A series of telephone status conferences and additional plenary hearings were also held.

Subsequently, the Petitioner and the Village engaged in negotiations which culminated in the adoption of a municipal ordinance on December 12, 2001, granting renewal consent to the Petitioner for a term of 10 years from the date of issuance of this Certificate. On December 31, 2001, the Petitioner voluntarily withdrew the contested matter from the OAL. The Petitioner indicated its acceptance of the ordinance by letter dated February 11, 2002. On April 1, 2002, the Petitioner filed a new petition for the Village, which was assigned Docket No. CE02040217.

The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Village reviewed these qualifications in conjunction with the municipal consent process. See N.J.S.A. 48:5A-22 to 29 and N.J.A.C. 14:18-13.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.

- 4. The franchise period as stated in the ordinance is ten years from the date of issuance of this Certificate. The Board finds this period to be of reasonable duration.
- 5. The Village may review the performance of the Petitioner with regard to the ordinance after three years. If the Village determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the Village shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner six months to cure such deficiency. The Village may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term, only after the six month opportunity to cure has passed and the deficiency has not been cured.
- 6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
- 7. Pursuant to N.J.S.A. 48:5A-26(a), the ordinance specifies a complaint officer. In this case, it is the Village Clerk. All complaints shall be received and processed in accordance with N.J.A.C. 14:17-6.5.
- 8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office is located at 40 Potash Road in the Borough of Oakland, New Jersey.
- 9. The franchise fee to be paid to the Village is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Village. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 10. The Petitioner shall install cable in all residences in the Village at tariffed rates for standard and non-standard installation. Commercial establishments shall be constructed in accordance with the Petitioner's commercial line extension policy attached to this Certificate as Appendix "I".
- 11. The Petitioner committed to rebuild and/or upgrade the cable plant serving the Village by June 30, 2002. The Petitioner has asserted that this rebuild is complete.
- 12. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner shall provide one exclusive PEG access channel to the Village. The Petitioner shall provide the Village a second designated PEG access channel when and if the usage requirements of the ordinance (§17) have been met.

- 13. Within 90 days of adoption of the ordinance, the Petitioner was required to provide the Village with a one-time capital contribution in the amount of \$75,000.00, to be utilized to purchase PEG access equipment, such as cameras, editing and playback devices. The Petitioner has asserted that the contribution has been granted.
- 14. The Petitioner shall provide free training courses for residents. The Petitioner also maintains a studio and some portable production equipment available on a first-come, first-served basis for production of non-commercial PEG access programming.
- 15. The Petitioner shall provide the standard installation and basic monthly service to one outlet, free of charge, at each of the following: a) each municipal library; b) each public school; and c) all municipally-owned senior center in the Village.
- 16. When high-speed Internet becomes commercially available to residential customers within the Village, the Petitioner shall provide, free of charge, one high-speed modem and standard installation to the municipal building. The Village shall be permitted to network up to three additional personal computers in the municipal building at its own cost. When high-speed Internet becomes commercially available to residential customers within the Village, the Petitioner shall provide, free of charge, one high-speed modem and standard installation to each public school and municipal library in the Village.
- 17. At such time as the Petitioner implements a senior citizen's discount in its Oakland system, such program and all its terms shall be available to qualified senior citizens of the Village, who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program.

Based upon these findings, the Board HEREBY CONCLUDES, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), that the Petitioner has sufficient financial and technical capacity and meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is HEREBY ISSUED this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Village.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein.

The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> Section 76.1 <u>et seq</u>. Any modifications to the provisions thereof shall be incorporated into this Certificate. Additionally and more specifically, the Petitioner shall adhere to the technical standards of 47 <u>C.F.R.</u> Part 76, Subpart K.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire ten years from the date of this Order.

DATED:	May 16, 2002	BOARD OF PUBLIC UTILITIES BY:
		(signed)
		JEANNE M. FOX PRESIDENT
		(signed)
		FREDERICK F. BUTLER COMMISSIONER
		(signed)
		CONNIE O. HUGHES COMMISSIONER
ATTEST:		
(signed)		
KRISTI IZZO SECRETAR	Y	